



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2020-0259

KITCHENER-WILMOT HYDRO INC.

Application for Electricity Distribution Licence Amendment

BY DELEGATION, BEFORE: Brian Hewson

Vice President,

Consumer Protection & Industry Performance

December 17, 2020

DECISION AND ORDER

Kitchener-Wilmot Hydro Inc. (KWHI) applied on October 30, 2020, under section 74 of the *Ontario Energy Board Act, 1998* (OEB Act) for an amendment to its Electricity Distribution Licence, ED-2002-0573. Specifically, KWHI is seeking the Ontario Energy Board's (OEB) approval of exemptions from section 4.2.4A of the Distribution System Code (DSC) and section 2.6.2 of the Standard Supply Service Code (SSSC)¹ to June 30, 2021.

On February 11, 2020, in proceeding EB-2019-0217, the OEB issued a Decision and Order amending KWHI's licence, to exempt it from having to comply with the identified sections of the DSC and SSSC until December 31, 2020. The OEB authorized the exemptions based on the understanding that KWHI was in the process of implementing a new Oracle Customer Care and Billing (CC&B) system, which would meet all the requirements of the amended customer service rules under the DSC and SSSC, with an estimated in-service date on December 31, 2020. The OEB found that it would not be prudent for KWHI to incur significant costs to customize its existing COBOL-based in-house Customer Information System (CIS), which was in the process of being replaced.

KWHI has advised that it is now not able to meet the December 31, 2020 deadline. KWHI states that, due to challenges related to the COVID-19 pandemic and the unplanned changes to legacy CIS in order to process billing for customers opting out of Time of Use (TOU) price effective November 1, 2020², it has been forced to delay the implementation of the new CC&B system. Although KWHI is expecting its new CC&B system to go live in April 2021, it is requesting the OEB extend the period of the exemption to June 30, 2021, stating that, with the uncertainties surrounding COVID-19, there is potential for further delays. KWHI also states that it will be fully compliant with requirements set out in section 4.2.4A of the DSC and section 2.6.2 of the SSSC as soon as the new CC&B system is implemented and will not require an exemption after "go-live". Furthermore, KWHI states that it will continue to take appropriate steps to address customer concerns in relation to non-payment of accounts and disconnection notices as part of its regular customer services.

This Decision and Order is being issued by the Delegated Authority, without holding a hearing pursuant to section 6(4) of the OEB Act.

¹ Both of these sections are amendments to the respective codes, which came into force on March 1, 2020, as per the Ontario Energy Board's March 14, 2019 notice of amendments to the DSC, the SSSC, and the Unit Sub-Metering Code and Gas Distribution Access Rule (GDAR) – EB-2017-0183.

² On August 21, 2020, O Reg 95/05, under the OEB Act, was amended to require the OEB, as of November 1, 2020, "to require distributors to permit consumers ... that would otherwise be charged time-of-use prices for electricity ... to elect instead to be charged tiered prices for electricity".

KWHI has provided evidence regarding the impact of the COVID-19 pandemic on its operations, and the changes required of its legacy CIS to accommodate mandated consumer choice between TOU and tiered prices. The OEB has considered this evidence with respect to KWHI's updated plans to implement the new CC&B system and finds that the delay in implementing the CC&B system is justified. Therefore, in accordance with its earlier finding that it would not be prudent to require KWHI to incur the costs of adjusting its current CIS to meet the requirements of section 4.2.4A of the DSC and section 2.6.2 of the SSSC, the OEB will extend the period of the licence exemption. However, the exemption period shall end on April 30, 2021 (as this is the month that KWHI has submitted that it expects to implement its new CC&B system). In setting this date the OEB is ensuring that KWHI's customers have the benefit of the notice required under section 4.2.4A of the DSC when the winter ban on disconnection of residential customers for non-payment under section 4.8 of the DSC ends on April 30, 2021.

IT IS ORDERED THAT:

1. Kitchener-Wilmot Hydro Inc.'s Electricity Distribution Licence ED-2002-0573, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 4.2.4A of the Distribution System Code. This exemption expires on April 30, 2021.
2. Kitchener-Wilmot Hydro Inc.'s Electricity Distribution Licence ED-2002-0573, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 2.6.2 of the Standard Supply Service Code. This exemption expires on April 30, 2021.

DATED at Toronto, December 17, 2020

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance